

Exhibit 1

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2023

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number

Registrant; State of Incorporation; Address and
Telephone Number

IRS Employer Identification No.

001-38126

38-3980194



Altice USA, Inc.

Delaware

1 Court Square West

Long Island City, New York 11101
(516) 803-2300

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act Yes No

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act Yes No

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the Registrant has submitted electronically every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (\$232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files). Yes No

PART I

Item 1. Business

Altice USA, Inc. ("Altice USA," "we" or the "Company") was incorporated in Delaware on September 14, 2015. We are controlled by Patrick Drahi through Next Alt. S.à.r.l. ("Next Alt"), who also controls Altice Group Lux S.à.r.l., formerly Altice Europe N.V. ("Altice Europe") and its subsidiaries and other entities.

Altice USA is a holding company that does not conduct any business operations of its own. Altice Europe, through a subsidiary, acquired Cequel Corporation ("Cequel") on December 21, 2015 (the "Cequel Acquisition") and Cequel was contributed to Altice USA on June 9, 2016. Altice USA acquired Cablevision Systems Corporation ("Cablevision") on June 21, 2016 (the "Cablevision Acquisition").

We principally provide broadband communications and video services in the United States and market our services primarily under the Optimum brand. **We deliver broadband, video, telephony and mobile services to approximately 4.7 million residential and business customers across our footprint.** Our footprint extends across 21 states (primarily in the New York metropolitan area and various markets in the south-central United States) through a fiber-rich hybrid-fiber coaxial ("HFC") broadband network and a fiber-to-the-home ("FTTH") network with approximately 9.6 million total passings as of December 31, 2023. Additionally, we offer news programming and advertising services.

Our ongoing FTTH network build has enabled us to deliver multi-gig broadband speeds to meet the growing data needs of residential and business customers. Concurrent to our FTTH network deployment, we also continue to upgrade our existing HFC network through the deployment of digital and expansion of Data Over Cable Service Interface Specification ("DOCSIS") 3.1 technology in order to roll out enhanced broadband services to customers. We currently make available in a majority of our footprint 1 Gbps broadband services which provide a connectivity experience supporting the most data-intensive activities, including streaming 4K ultra-high-definition ("UHD") and high-definition ("HD") video on multiple devices, online multi-player video game streaming platforms, video chatting, streaming music, high-quality virtual-and augmented reality experiences, and downloading large files.

The following table presents certain financial data and metrics for Altice USA:

	Years ended December 31,		
	2023	2022	2021
(in thousands, except percentage data)			
Customer Relationships (a)			
Revenue	\$ 9,237,064	\$ 9,647,659	\$ 10,090,849
Adjusted EBITDA (b)	\$ 3,608,890	\$ 3,866,537	\$ 4,427,251
<i>Adjusted EBITDA as % of Revenue</i>	39.1 %	40.1 %	43.9 %
Net income attributable to Altice USA, Inc. stockholders	\$ 53,198	\$ 194,563	\$ 990,311

(a) Customer metrics do not include mobile customers. Please refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations" for additional information regarding our customer metrics.

(b) For additional information regarding Adjusted EBITDA, including a reconciliation of Net Income to Adjusted EBITDA, please refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Our Products and Services

We provide broadband, video, telephony and mobile services to both residential and business customers. We also provide enterprise-grade fiber connectivity, bandwidth and managed services to enterprise customers and provide advertising time and services to advertisers. In 2023, we surpassed 2.7 million homes and businesses passed with our state-of-the-art FTTH network. In addition, we offer various news programming through traditional linear and digital platforms to consumers across our footprint.

The prices we charge for our services vary based on the number of services and associated service level or tier our customers choose, coupled with any promotions we may offer.

Residential Services

The following table shows our customer relationships for broadband, video and telephony services provided to residential customers.

	December 31,		
	2023	2022	2021
	(in thousands)		
Total residential customer relationships:	4,363.1	4,498.5	4,632.8
Broadband	4,169.0	4,282.9	4,386.2
Video	2,172.4	2,439.0	2,732.3
Telephony	1,515.3	1,764.1	2,005.2

The following table shows our revenues for broadband, video, telephony and mobile services provided to residential customers.

	Years Ended December 31,		
	2023	2022	2021
	(in thousands)		
Residential revenue:			
Broadband	\$ 3,824,472	\$ 3,930,667	\$ 3,925,089
Video	3,072,011	3,281,306	3,526,205
Telephony	300,198	332,406	404,813
Mobile	77,012	61,832	51,281

Broadband Services

We offer a variety of broadband service tiers tailored to meet the different needs of our residential customers. Current offers include download speeds up to 8 Gbps for our residential customers.

Our FTTH broadband service is available to over 2.7 million homes, offering multi-gig symmetrical speed tiers to substantially all our FTTH customers and we plan to continue this expansion. We also are now deploying Smart WiFi 6 routers to certain of these customers.

Substantially all of our HFC network is digital and DOCSIS 3.1 compatible, which allows us to provide HFC customers with advanced broadband, video and telephony services.

Video Services

We currently offer a variety of video services through Optimum TV, which include delivery of broadcast stations and cable networks, over the top ("OTT") services such as Netflix, YouTube and others, advanced digital video services, such as video-on-demand ("VOD"), HD channels, digital video recorder ("DVR") and pay-per-view, to our residential markets. Depending on the market and level of service, customers have access to local broadcast networks and independent television stations, news, information, sports and entertainment channels, regional sports networks, international channels and premium services such as Max (formerly known as HBO), Showtime and Starz. Additionally, we provide app based solutions for TV, including a companion mobile app that allows viewing of television content on iOS or Android devices, as well as the available Optimum TV app on Apple TV, and on Optimum Stream for eligible customers.

The following is a reconciliation of net income to Adjusted EBITDA and Operating Free Cash Flow:

	Years Ended December 31,	
	2023	2022
Net income	\$ 79,037	\$ 220,889
Income tax expense	39,528	295,840
Other income, net	(4,940)	(8,535)
Gain on interest rate swap contracts, net	(32,664)	(271,788)
Loss (gain) on derivative contracts, net	166,489	(425,815)
Loss (gain) on investments and sale of affiliate interests, net	(180,237)	659,792
Loss (gain) on extinguishment of debt and write-off of deferred financing costs	(4,393)	575
Interest expense, net	1,639,120	1,331,636
Depreciation and amortization	1,644,297	1,773,673
Restructuring, impairments and other operating items	214,727	130,285
Share-based compensation	47,926	159,985
Adjusted EBITDA	3,608,890	3,866,537
Capital expenditures (cash)	1,704,811	1,914,282
Operating Free Cash Flow	\$ 1,904,079	\$ 1,952,255

The following is a reconciliation of net cash flow from operating activities to Free Cash Flow:

	Years Ended December 31,	
	2023	2022
Net cash flows from operating activities	\$ 1,826,398	\$ 2,366,901
Less: Capital expenditures (cash)	1,704,811	1,914,282
Free Cash Flow	\$ 121,587	\$ 452,619

The following table sets forth certain customer metrics (unaudited):

	December 31,		Increase (Decrease)
	2023	2022	
Total passings (a)	9,628.7	9,463.8	164.9
Total customer relationships (b)	4,743.5	4,879.7	(136.2)
Residential	4,363.1	4,498.5	(135.4)
SMB	380.3	381.2	(0.9)
Residential customers:			
Broadband	4,169.0	4,282.9	(113.9)
Video	2,172.4	2,439.0	(266.6)
Telephony	1,515.3	1,764.1	(248.8)
Penetration of total passings (c)	49.3 %	51.6 %	(2.3) %
Average revenue per user ("ARPU") (d)	\$ 136.01	\$ 135.86	\$ 0.15
Total mobile lines (e)	322.2	240.3	81.9
FTTH total passings (f)	2,735.2	2,158.7	576.4
FTTH customer relationships (g)	341.4	171.7	169.7
FTTH Residential	333.8	170.0	163.8
FTTH SMB	7.6	1.7	5.9
Penetration of FTTH total passings (h)	12.5 %	8.0 %	4.5 %

(a) Represents the estimated number of single residence homes, apartments and condominium units passed by our HFC and FTTH network in areas serviceable without further extending the transmission lines. In addition, it includes commercial